



PROPOSED RULE MAKING
(RCW 34.05.320)

CR-102 (7/22/01)
Do NOT use for expedited
rule making

Agency: Board of Accountancy

- ☒ Preproposal Statement of Inquiry was filed as WSR 03-05-012; or
☐ Expedited Rule Making -- Proposed notice was filed as WSR _____; or
☐ Proposal is exempt under RCW 34.05.310(4).

- ☒ Original Notice
☐ Supplemental Notice
to WSR _____
☐ Continuance of WSR _____

(a) Title of rule: (Describe Subject) WAC 4-25-721 What does the board consider to be cheating on the CPA examination, what actions may the board take if cheating is suspected, and what sanctions may the board impose if cheating occurs?

Purpose: The Uniform Certified Public Accountant (CPA) examination is moving to a computer-based format. The rule making is necessary to transition to a computer-based format.

Other identifying information:

(b) Statutory authority for adoption: RCW 18.04.105(2)

Statute being implemented: RCW 18.04.105(2)

(c) Summary: Beginning in 2004, the Uniform CPA Examination will be computerized. The Board plans to transition to the computerized exam at the very same time all other states make the change. The Board anticipates November 2003 will be the final paper-and-pencil exam. The Board proposes to amend its rule regarding cheating to reflect the changes in the exam's format.

Reasons supporting proposal: The Uniform Certified Public Accountant (CPA) examination is moving to a computer-based format. The Board's proposed rule revises the rule to facilitate the move to a computer-based format.

(d) Name of Agency Personnel Responsible for:	Office Location	Telephone
1. Drafting..... Dana M. McInturff, CPA	Olympia, Washington	(360) 586-0163
2. Implementation.... Dana M. McInturff, CPA	Olympia, Washington	(360) 586-0163
3. Enforcement..... Dana M. McInturff, CPA	Olympia, Washington	(360) 586-0163

(e) Name of proponent (person or organization): Primarily the Washington State Board of Accountancy

☐ Private
☐ Public
☒ Governmental

(f) Agency comments or recommendations, if any, as to statutory language, implementation, enforcement and fiscal matters:

(g) Is rule necessary because of:

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If yes, ATTACH COPY OF TEXT Citation:
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

(h) HEARING LOCATION:
DoubleTree Hotel - Spokane City Center
322 N Spokane Falls Court
Spokane, WA 99201

Date: July 25, 2003 Time: 9:00 a.m.

Assistance for persons with disabilities: Contact
Cheryl Sexton by July 18, 2003

TDD (800) 833-6384 or (360) 664-9194

NAME (TYPE OR PRINT)

Dana M. McInturff, CPA

SIGNATURE

TITLE

Executive Director

DATE

2/28/03

Submit written comments to:
Dana M. McInturff, Executive Director
PO Box 9131
Olympia, WA 98507-9131

FAX (360) 664-9190 By (date) July 7, 2003

DATE OF INTENDED ADOPTION: July 25, 2003

CODE REVISER USE ONLY

CODE REVISER'S OFFICE STATE OF WASHINGTON FILED	
APR 11 2003	
TIME	9:26 AM
WSR	03-09-052

(COMPLETE REVERSE SIDE)

(j) Short explanation of rule, its purpose, and anticipated effects:

The Board's goal with all of its rule proposals is to:

- ☐ Promote clarity
- ☐ Ensure effective communication
- ☐ Ensure fairness in interpretation and application of the rules
- ☐ Promote efficiencies through minimizing gray areas

Specifically, RCW 18.04.105(2) directs the Board to "establish provisions for transitioning to a new examination structure or to a new media for administering the examination." The proposed rule will ensure that the transition of the CPA exam to a computer-based format will be smooth and fair for Washington candidates.

Does proposal change existing rules? ☒ YES ☐ NO

If yes, describe changes:

Removes reference to language specific to a paper-and-pencil exam that will not be relevant to a computer-based exam such as:
"examination booklet or paper" "answer sheet" "essay question paper"

Adds a subsection specifically prohibiting the retaking of the exam by an individual other than a legitimate candidate; individuals holding a license, or individuals with unexpired credit for passing the section

(k) Has a small business economic impact statement been prepared under chapter 19.85 RCW?

☐ Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by writing to:

telephoning: ()

faxing: ()

☒ No. Explain why no statement was prepared

The proposed rule will not have more than minor economic impact on business

(l) Does RCW 34.05.328 apply to this rule adoption? ☐ Yes ☒ No

Please explain: The Board of Accountancy is not one of the agencies required to submit to the requirements of RCW 34.05.328.

AMENDATORY SECTION (Amending WSR 02-04-064, filed 1/31/02, effective 3/15/02)

WAC 4-25-721 What does the board consider to be cheating on the CPA examination, what actions may the board take if cheating is suspected, and what sanctions may the board impose if cheating occurs? (1) Cheating includes, but is not limited to:

~~((a))~~ ~~((Communication between candidates inside or outside of the examination room during the examination;~~

~~((b)))~~ Unauthorized communication with others inside or outside of the examination room ((during the examination)) while the examination is in progress;

~~((c)))~~ (b) Substitution by a candidate of another person to ((write one or more of the examination papers for him/her)) sit in the test site and take the examination on behalf of the candidate;

~~((d)))~~ (c) Referencing crib sheets, text books, or other unauthorized material or electronic media inside or outside the examination room ((during the examination)) while the examination is in progress;

~~((e)))~~ (d) Copying or attempting to copy another candidate's answers;

~~((f))~~ ~~Taking, removing, copying, transmitting, attempting to take, attempting to remove, attempting to copy, or attempting to transmit an examination booklet or paper, answer sheet, essay question paper, or notes from the examination site;~~

~~((g)))~~ (e) Disclosing or attempting to disclose examination questions and/or answers to others;

~~((h)))~~ (f) Bringing unauthorized prohibited items into the examination site((r)) or ((i)) possessing unauthorized prohibited items in the examination site;

(g) Retaking or attempting to retake a section by an individual who holds a license or who has unexpired credit for passing the section, unless the individual has been expressly authorized by the board to participate in a "secret shopper" program.

(2) Cheating on the CPA examination is dishonesty directly related to the professional responsibilities of a CPA and demonstrates a lack of good character. When determining appropriate sanctions for cheating, the board may impose one or more of the following penalties:

(a) Enter a failing grade for any or all parts of the candidate's examination;

(b) Bar a candidate from writing future examinations; or

(c) Notify other jurisdictions of the board's conclusions and order.

(3) If a candidate is suspected of cheating, ~~((a))~~ the board or its representative(s) may expel the candidate from the

examination((7)) or move the candidate suspected of cheating ((away from other candidates and/or confiscate unauthorized prohibited items)) to a position in the test center that is away from other examinees or where the candidate may be more closely observed. The board or its representatives may require a candidate suspected of cheating, or a candidate who may have observed cheating, to respond to board inquiry. The board may schedule a hearing to determine the validity of the charge of cheating.